HLS Therapeutics®

Q4 & Fiscal 2024 Conference Call
March 13, 2025

Craig Millian, CEO
John Hanna, CFO
Brian Walsh, CCO



Forward-Looking Statements

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Certain statements in this presentation are “forward-looking statements”. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always using words or phrases such as “project”, “forecast”, “target”, “expect”, “seek”, “endeavour”, “anticipate”, “plan”, “estimate”, “believe”, “intend”, or stating that certain actions, events or results may, could, should, would, might or will occur or be taken, or achieved) are not statements of historical fact and may be “forward-looking statements”. Forward-looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of known and unknown risks and uncertainties which would cause actual results or events to differ materially from those presently anticipated. A number of factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this presentation. These factors should be considered carefully and prospective investors should not place undue reliance on these forward-looking statements. Although the forward-looking statements contained in this presentation are based upon what HLS currently believes to be reasonable assumptions, HLS cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. Except as required by law, HLS does not have any obligation to advise any person if it becomes aware of any inaccuracy in or omission from any forward-looking statement, nor does it intend, or assume any obligation, to update or revise these forward-looking statements to reflect new events or circumstances.

All figures in USD unless otherwise noted.

Historical financial information in this presentation is derived from HLS filed quarterly and annual statements

Forward-looking financial estimates are converted at an average exchange rate of 1 USD = 1.41 CAD

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A Year of Transition and Decisive Action

Grew Core Products

Q4 CDN product sales up 14%

Vascepa profitable in Q4

Right-sized Spending

Reduced OpEx 10%

Grew AEBITDA 42% ex-royalties

Strengthened Balance Sheet

Divested non-core assets

Paid down $21M debt

New Leadership

John Hanna, CFO

Brian Walsh, CCO

Sets up HLS for greater success in 2025 and beyond

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2024: Financial Highlights

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Revenue:
$56.6M

Adjusted EBITDA:
$16.6M

Cash from operations:
$8.0M

10% ↑ HLS Canadian product sales*

27% ↑ Vascepa net sales*

1.6% ↑ Clozaril Canada net sales*

10% ↓ Operating expenses

*in constant currency

2025 Guidance: Return to Growth

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Vascepa Revenue:
CAD $26.5-28.5M
(18-26% growth)

Clozaril Canada Revenue:
CAD $35.5-36M
(flat)

6-11% Growth

Clozaril US Revenue:
USD $12-12.3M
(2-4% decline)

Royalty Revenue:
USD $0.6-0.75M
(50-60% decline)

Adjusted EBITDA:
$19.5-20.5M
(17-23% growth)

Variances to original outlook due to FX changes since November 2024

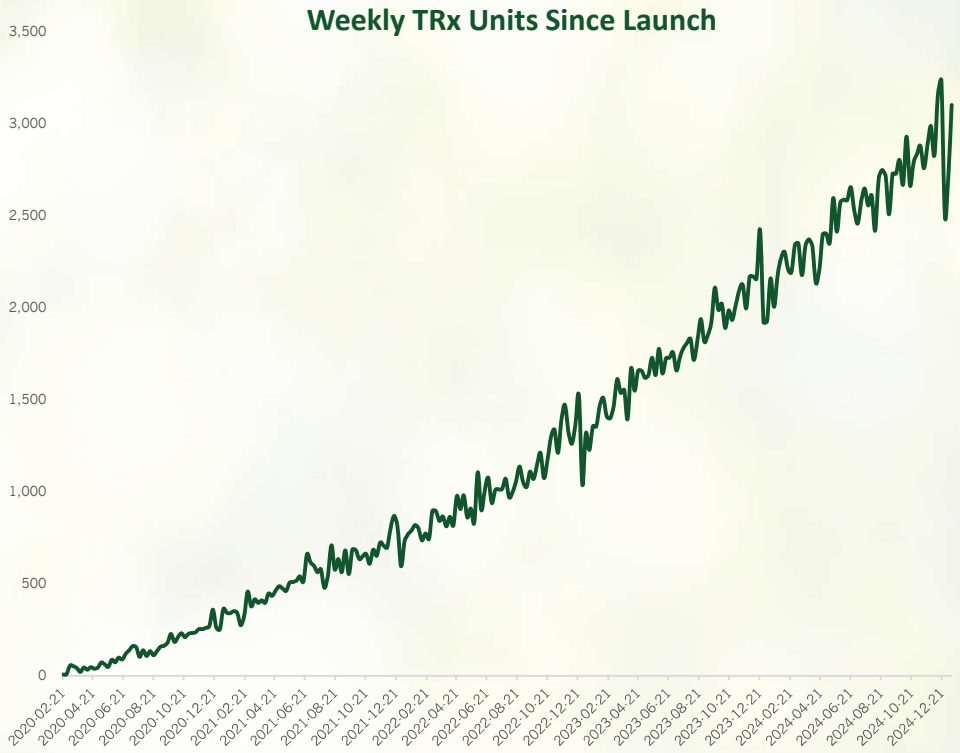
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Maintaining Solid Prescribing Growth

Vascepa®



37% increase
in unit demand*

29% increase
in revenue (in C$)*

*Q4 2024 compared to Q4 2023

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Driving Breadth & Depth

Vascepa®

2/3 Sales force effort on existing prescribers

1/3 Sales force effort on high potential writers who have yet to prescribe

Focus on growing depth and breadth of prescribing

Consistent prescribers up 50%*

Ave monthly prescribers up 41%*

*Q4 2024 compared to Q4 2023

Bringing primary care "in house" saves ~$1M per quarter

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Stabilizing the Payer Mix

Vascepa®

Focusing our selling efforts on gaining – and retaining – new privately insured patients

- Enhanced physician targeting based on payer dynamics
- Improved retention via co-pay program
- Simplified process for onboarding new patients

Vascepa has a long patent runway into the 2030's

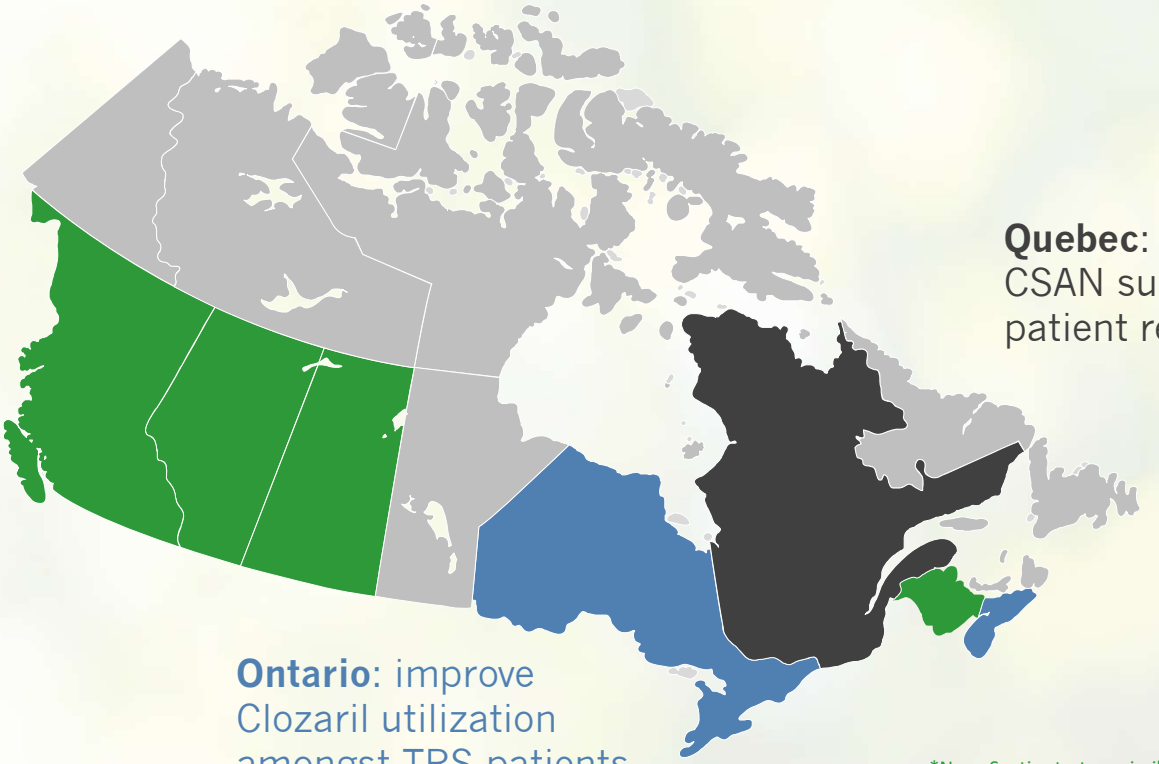
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Strong Execution on Regional Strategies

West: market share growth through CSAN differentiation



Quebec: leverage CSAN support for patient retention

Ontario: improve Clozaril utilization amongst TRS patients

*Nova Scotia strategy similar to Ontario
*New Brunswick strategy similar to western provinces

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Capital Allocation

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Increased Flexibility for Capital Allocation

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Solid Q4 2024 results

Stronger balance sheet

AEBITDA growth outlook

Share buyback announced today

Portfolio expansion opportunities

1. Commercial stage assets
2. Available to license in Canada
3. Synergistic with current portfolio
4. Meaningful sales potential
5. Minimal upfront capital/OpEx

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Financial Review: Solid Foundation to support our growth

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Q4 2024: Financial Review

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Revenue: $15.5M

- 7% Excluding royalties
- 14% Canadian product sales*
- 29% Vascepa*
- 6% Clozaril Canada*
- 4.5% Clozaril U.S.

Operating Expenses

- 9% OPEX excluding cost of sales
- 27% Selling & marketing
- 23% General & admin

Adjusted EBITDA: $5.6M

- 4% Q4'24 over Q4'23
- 42% AEBITDA excluding royalties

*in constant currency

Highest year over year growth for Adjusted EBITDA since Q3 2021

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Two Products Made a Profitable Contribution to AEBITDA in Q4 2024

CLOZARIL® Clozapine

US$7.7M
Direct contribution to
Adjusted EBITDA Q4 2024

US$28.1M
Direct contribution to
Adjusted EBITDA F2024

Vascepa®

US$0.2M
Direct contribution to
Adjusted EBITDA Q4 2024

US($3.6)M
Direct contribution to
Adjusted EBITDA F2024

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Strong Balance Sheet

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Summary Balance Sheet & Capitalization

(US$ millions)	At Dec 31, 2023	At Dec 31, 2024
Cash and Cash Equivalents	22.0	**17.5**
Senior Secured Term Loan and Revolver	88.5	**67.4**
Net Debt (Term Loan less Cash)	66.5	**50.0**

	At Dec 31, 2023	At Dec 31, 2024
Shares Outstanding ('000's)	31,980	**31,793**

De-levering the Balance Sheet

Made $21M in debt payments in 2024

Debt reduction will save ~ $2M in interest expense*

*estimate savings based on recent rates

Launched share buyback program

Purchases under the program can begin post-Q4 blackout

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2024 Summary

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1. Grew promoted product portfolio
2. Delivered on our promise to reduce costs
3. De-levered the balance sheet and increased financial flexibility

Actions set HLS up for a return to growth in 2025

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